



BOULT ■ CUMMINGS  
CONNERS ■ BERRY PLC

Henry Walker  
(615) 252-2363  
Fax: (615) 252-6363  
Email: hwalker@boultoncummings.com

REGULATORY AFFAIRS

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July 20, 2001

ON  
EXECUTIVE SECRETARY

Melvin Malone, Director  
Tennessee Regulatory Authority  
460 James Robertson Parkway  
Nashville, TN 37243-0505

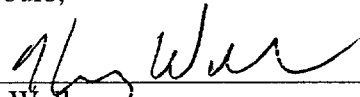
Re: Gasco Distribution Systems Actual Adjustment (ACA) Audit  
Docket No. 00-00998

Dear Director Malone:

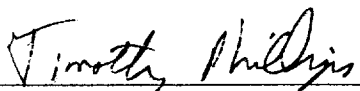
The parties to this proceeding submit for your consideration a proposed settlement in the above-captioned show cause proceeding. If you have any questions about the settlement or why the parties believe that the settlement is an appropriate resolution of this matter, the parties are available to address those issues. If you approve the settlement, the parties offer to submit a proposed Initial Order so stating.

Very truly yours,

By:

  
Henry Walker  
414 Union Street, Suite 1600  
P.O. Box 198062  
Nashville, Tennessee 37219  
(615) 252-2363

Counsel for Gasco Distribution Systems,  
Inc.

 by permission  
Timothy C. Phillips  
Consumer Advocate and Protection  
Division of the Attorney General's office  
P.O. Box 20207  
425 5th Ave., North, 2nd Floor  
Nashville, Tennessee 37202

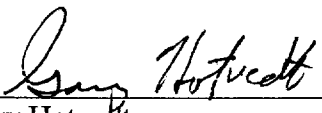
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LAW OFFICES

414 UNION STREET, SUITE 1600, P.O. BOX 198062, NASHVILLE, TN, 37219  
TELEPHONE 615.244.2582 FACSIMILE 615.252.6380 www.boultoncummings.com

July 20, 2001  
Page 2

  
\_\_\_\_\_  
Gary Hotvedt *by permission*  
Tennessee Regulatory Authority  
460 James Robertson Parkway  
Nashville, Tennessee 37243-0505  
Counsel for the TRA Staff

HW/nl  
Attachment

**BEFORE THE TENNESSEE REGULATORY AUTHORITY  
NASHVILLE, TENNESSEE**

IN RE: GASCO DISTRIBUTION	)	
SYSTEMS ACTUAL ADJUSTMENT	)	
(ACA) AUDIT	)	DOCKET NO. 00-00998
	)	

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**PROPOSED SETTLEMENT AGREEMENT**

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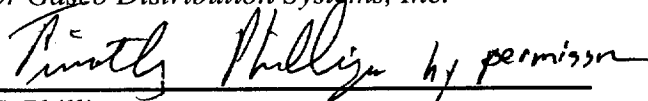
The purpose of this document is to memorialize a proposed settlement among the parties to the above-captioned show cause proceeding.

The parties agree that Gasco Distribution Systems, Inc. ("Gasco") failed to timely implement an ACA price reduction as required by the Authority's rules. Because of Gasco's history of similar violations, the Staff and the Consumer Advocate Division of the Attorney General's office have requested --- and Gasco has agreed to pay --- a fine of \$10,000 subject to the following conditions. Of that amount, \$5,000 of the fine is due and payable between December 31, 2001 and March 31, 2002. The remaining \$5,000 of the fine would be suspended pending Gasco's continuing compliance with all TRA rules and orders for a probationary period of three years, beginning July 1, 2001, and continuing until July 1, 2004. The suspended fine would become immediately due and payable in the event of any subsequent instance of noncompliance. The \$5,000 suspended fine will be forgiven upon demonstration of full compliance throughout the entire probationary period.

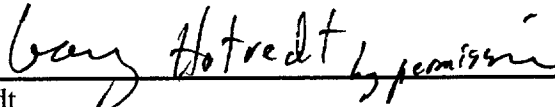
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414 Union Street, Suite 1600  
P.O. Box 198062  
Nashville, Tennessee 37219  
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*Counsel for Gasco Distribution Systems, Inc.*



Timothy C. Phillips  
Consumer Advocate and Protection Division of the  
Attorney General's office  
P.O. Box 20207  
425 5<sup>th</sup> Ave., North, 2<sup>nd</sup> Floor  
Nashville, Tennessee 37202



Gary Hotvedt  
Tennessee Regulatory Authority  
460 James Robertson Parkway  
Nashville, Tennessee 37243-0505  
*Counsel for the TRA Staff*